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DE RUEHKT #3237/01 3520941 ZNY CCCCC ZZH O 180941Z DEC 06 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 4216 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 5146 RUEHLM/AMEMBASSY COLOMBO PRIORITY 5413 RUEHKA/AMEMBASSY DHAKA PRIORITY 0584 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3412 RUEHLO/AMEMBASSY LONDON PRIORITY 4777 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0692 RUCNDT/USMISSION USUN NEW YORK PRIORITY 2245 RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY

C O N F I D E N T I A L KATHMANDU 003237

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E.O. 12958: DECL: 12/18/2016 TAGS: <u>MARR PGOV PREL IN NP</u>

SUBJECT: CHIEF OF ARMY STAFF COMMENTS ON THE KING

REF: KATHMANDU 3177

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d)

Summary

¶1. (C) In a meeting with the Ambassador on December 13, Chief of Army Staff (COAS) Katawal dismissed the recent coup rumors sparked by the King's issuing commands to prepare his palace at Hetauda (reftel). The COAS said he had reassured Koirala of his and the Nepal Army's trustworthiness and had taken the incoming head of the Principal Military Secretariat at the royal palace in Kathmandu to see the PM. The Ambassador asked when the Secretariat would be dissolved. Katawal replied that he was working on options for PM Koirala at Koirala's request. The Ambassador stated the real problem was that the Hetauda incident dovetailed with foolish talk by the King's advisors about using Indian Hindu fundamentalists or the Nepal Army (NA) to ensure the King's future. The General affirmed that the Nepal Army supported a ceremonial monarchy but stressed the NA would not go against the will of the people. The Ambassador pointed out that a U.S.-commissioned poll in September had shown Nepalis to be divided over the continuation of the monarchy, although very few now supported the current King.

Hetauda Incident Overblown

12. (C) Chief of Army Staff General Katawal complained to the Ambassador and the DATT December 13 that the international community and Prime Minister's alarm about the recent incident of King Gyanendra issuing commands regarding his palace at Hetauda (reftel) were unjustified. Rumors that the King was plotting a coup made no sense. Not just the U.S. Embassy, but also the British Embassy had expressed grave concern. The Indian Ambassador had called Prime Minister Koirala who became worried about the King's intentions. Katawal said he had been compelled to come back to Nepal Army (NA) headquarters to deal with the issue. He had transferred the head of the Principal Military Secretariat at the royal palace in Kathmandu, Major General Limbu, and some of his colonels back to headquarters. The General stated that he had taken Major General Tika Dhamala, who was going to be the new head of the Secretariat, to meet Koirala to reassure the PM and convince him that Katawal, the NA and Dhamala could be trusted. Dhamala was U.S.- and UK-educated and, Katawal said, shared Katawal's desire for a modern army.

Future of the Principal Military Secretariat

13. (C) The Ambassador asked when the Principal Military Secretariat would be dissolved. Katawal responded that

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Koirala (who is also the Defense Minister) had asked for this to happen. The General stated that he was working on a few options for the Prime Minister and the PM would then decide how to proceed. (Note: The Parliament's May 18 declaration provided that the Secretariat was to be integrated into the civil service.)

Incident Coincided with Other Issues

14. (C) The Ambassador agreed that some of the hubbub over the incident was silliness. The real problem was that the King, or one of his aides, attempted to give a direct order to the officer in charge of the royal palace in Hetauda at a time when some of the King's political advisors were talking about a restoration. The Ambassador said that he had heard some of this stupid talk from old royalists himself. They claimed they could call on half a million Indian Hindu fundamentalists from Shiv Sena to help the King. These same royalists also thought the NA would save the King. It was important, the Ambassador maintained, that the NA insulate themselves from rumors such as these by making their loyalties clear.

Army Supports a Ceremonial Monarchy

15. (C) The General replied that the NA was in favor of some sort of ceremonial monarchy. In light of Nepal's political situation and geographic position as well as its history, a monarchy made sense. He stated that the monarchy could make use of moral authority. The Ambassador reaffirmed that the United States had no position on the monarchy. That was for the people of Nepal to decide.

The Events of April

16. (C) Katawal remarked that if he had been Chief of Army Staff in January 2005, when the King was preparing to take over the government, the King would not find himself in his current predicament. He said, "I would have banged on the table," and the King would have listened. The Ambassador stated that he had banged on the table -- to no effect. Then UK Ambassador Bloomfield and the Indian Ambassador had done the same. Katawal answered that he knew what the Ambassador had done and that he had worked closely at that time with Ambassador Bloomfield, whom he had met years previously in England. (Note: In January 2005, Katawal was the number two in the NA.) The majority of the Nepali people, he claimed, supported the monarchy.

People Divided on Monarch; Army Loyal to the People

17. (C) The Ambassador described a poll that USAID had commissioned in August-September through the National Democratic Institute (NDI) that had revealed the future of the monarchy to be the single most divisive issue in Nepal. The percentage in favor and opposed were nearly identical at almost 50 percent each. In addition, both sides' views were strongly held. Katawal assured the Ambassador that the NA would not go against the will of the people. He said he had told the Prime Minister this several times. There was no other option. Without popular support, the NA could not survive. He stressed that the NA would be wise.

¶8. (C) The Ambassador added that an NDI poll in 2004 had found that 60 percent of Nepalis had a favorable view of King Gyanendra. In the 2006 poll, that figure had fallen to 12 percent. In other words, three quarters of those who supported the monarchy did not support this King. His son, Crown Prince Paras, was no alternative, according to the Ambassador. Katawal indicated that was why people were talking about a "baby king." (Note: This was presumably a reference to Paras' son, Prince Hridayendra, who is four years old.)

Comment

¶9. (C) In spite of his stated support for a ceremonial monarchy, we do not question General Katawal's loyalty to Prime Minister Koirala. We believe he would be equally loyal to civilian leadership from any of the other democratic parties. We believe the same is true of nearly all the senior officers in the Army. As the Hetauda incident demonstrated, however, there are still a few officers who have yet fully to realize that the Royal Nepal Army is no more. Memories of King Gyanendra's misuse of the then royal army are also still fresh. If Katawal is to win the people's and the politicians' trust, he should be ruthless in rooting out those officers and structures from the old regime. In that regard, appointing Gen. Tika, who was a longtime aide to the King, as the new head of the Principal Military Secretariat, looks to us like a step backwards. Instead, as

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we told Katawal, dissolving the Principal Military Secretariat would be the way to start.

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